NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AC	GREEMENT is made		day ofAv	1545/	. 2008, by and between
<u>CG/VIN</u>	Hardin	900 Wil	4		
hereinabove named a	a Lessee, but all oth	er provisions (Including	e, Suite 1870 Dallas the completion of bi	Texas 75201, as Less ank spaces) were prepar	as Lesson see. All printed portions of this lease were prepared by the part red jointly by Lessor and Lessee. sby grants, leases and lets exclusively to Lessee the followin
described land, hereir	naffer called leased p	remises:		•	
OUT OF THE	KYAN SON	IORE OR LESS, I			, BLOCK
IN VOLUME	388	, PAGE	ARRANI COUN	OF THE PLAT RE	ORDING TO THAT CERTAIN PLAT RECORDED CORDS OF TARRANT COUNTY, TEXAS.
reversion, prescription substances produced commercial gases, as land now or hereafter Lessor agrees to exec	or otherwise), for the in association there well as hydrocarbor owned by Lessor with at Lessee's required.	ewith (Including geop n gases. In addition to high are contiguous or lest any additional or si	ng for, developing, p hysical/seismic oper o the above-describe adjacent to the abov opplemental Instrume	roducing and markeling atlons). The term "gar d leased premises, this re-described leased pre- ants for a more complete	ling any interests therein which Lessor may hereafter acquire by a oil and gas, along with all hydrocarbon and non hydrocarbons" as used herein includes hellum, carbon dioxide and other lesse also covers accretions and any small strips or parcels or mises, and, in consideration of the aforementioned cash bonus or accurate description of the land so covered. For the purpose be deemed correct, whether actually more or less.
as long thereafter as o otherwise maintained	oil or gas or other sul in effect pursuant to l	the provisions hereof.	by are produced in p	aying quantilies from the	Five (5)years from the date hereof, and fo e leased premises or from lands pooled therewith or this lease is
separated at Lessee's Lessor at the wellhead market prevailing price) for production, severance tessee shall have the no such price then prethe same or nearest proceeding on hydraul be deemed to be proceed to be proceed to be proceed to be proceed to be the while the well or wells is betag sold by Lessor's credit in the while the well or wells is betag sold by Lessor's deposition of terminate this lease. 4. All shut-in rough the same address known to Lessor's deposition.	separator facilities, if or to Lessor's credibation to Lessor's credibation of similar conduction of similar confluence then prevailing to the exceeding date as the receding date as the receding date as the receding date as the local confluence of the example o	the royally shall be it at the oil purchaser's in the same field (or it grade and gravity; it grade and gravity; it grade and gravity; it grade and the costs incur urchase such productive field, then in the nearest date on which Lesses is pooled therewith are not be sometimed in the purpose and the same or wells or the purpose or wells on the lease of wells on the lease of this lease shall be payments regardless of the deposition or or or the deposition or proper payment. If the	Iransportation facilities in there is no such property in the provention of the provided by Lessee in defined by Lessee in defined by Lessee in defined by Lessee in the provided in which there is are either shut-in or maintaining this tended by Lessee in premises or lands in the end of said 90-diseing sold by Lessee in premises or lands in the composition of the end of the property partial or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the deposition of the land or tendered to Lessee in the la	les, provided that Lessee les, provided that Lessee from the sale of the prevailing in the greating, processing or of relihead market price para is such a prevailing probases hereunder; and (oducing oil or gas or other production there from it is also in the production there from it is also in the production there from it is also in the production there is provided that if this lesser or to Lessor's credit ership of sald land. All price is market in a stamped in the production that is the provided that if this lesser or to Lessor's credit ership of sald land. All price is sor or to Lessor's credit ership of sald land. All price is sor or to Lessor's credit ership of sald land. All price is the proceeded the	to Lessor as follows: (a) For oil and other liquid hydrocarbons
5. Except as properties or lands por pursuant to the province remain in on the leased premises the end of the primary operations reasonably no cessation of more there is production in Lessee shall drill such to (a) develop the leased premises from additional wells except	ovided for in Paragra- poied therewith, or if sions of Paragraph or force If Lessae con- is or lands pooled the y term, or at any limit calculated to obtain than 90 consecutive paying quantities fro additional wells on the sed premises as to it uncompensated drait that specific provided as expressly provided.	iph 3. above, if Lessee all production (whethe 6 or the action of any innences operations for erewith within 90 days be thereafter, this least or restore production to days, and if any such in the leased premises or formations then capabilinge by any well or wied therein.	drills a well which is ir or not in paying if y governmental auth ir reworking an existing after completion of o e is not otherwise be therefrom, this lease : operations result in s or lands pooled the lands pooled therewise of producing in payells located on other	incapable of producing Janfilles) permanently of orily, then in the event ing well or for drilling an perations on such dry he shall remain in force so the production of oil or rewith. After completion the as a reasonably prud- iying quantities on the la lands not pooled therew	in paying quantities (hereinafter called "dry hote") on the leaser treases from any cause, including a revision of unit boundaries this lease is not otherwise being maintained in force it shall additional well or for otherwise obtaining or restoring production ole or within 90 days after such cessation of all production. If a but Lessee is then engaged in drilling, reworking or any otherwise or otherwise or otherwise or any one or more of such operations are prosecuted with gas or other substances covered hereby, as long thereafter at or of a well capable of producing in paying quantities hereunder ent operator would drill under the same or similar circumstances eased premises or lands pooled therewith, or (b) to protect the with. There shall be no covenant to drill exploratory wells or any
depths or zones, and proper to do so in orde unit formed by such p horizontal completion of the foregoing, the tiprescribed, "oil well" in feet or more per ban equipment; and the tecomponent thereof. In Production, drilling or reworking operations on exceeded to covered the component that the component thereof. In the component the component thereof. In the component the component thereof. In the component thereof. In the component thereof. In the component thereof. In the component thereof. In the component th	es to eny or all sub- er to prudently devels- shall not exceed 640 to any well spacing erms "oil well" and "t- teans a well with an "t- teans a well with an "t- tean "horizontal comp in exercising its pooll reworking operation on the leased premis- by this lease and included in or excluded ty. In the absence of tuded in or excluded ty. In the absence of	istances covered by the poor operate the lease which is not a horizon, acres plus a maximum or density pattern that gas well" shall have the initial gas-oil ratio of leur production test completion" means an oil wing rights hereunder, the sanywhere on a unit ses, except that the procluded in the unit bear shall not exhaust Lessontraction or both, eith dal authority having juris record a written decilifrom the unit by virtue for production in paying of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of production in paying of the content of the unit by virtue of the content of the unit by virtue of the content of the unit by virtue of the content of the unit of the un	als lease, either before of premises, whether tail completion shall rance age tolerance or may be prescribed on the mannings prescribes than 100,000 cubil to which the horizonal manning that it which the horizonal manning to the tail in which the horizonal manning to the tail of results in the tail file of results in which the horizonal manning the tail of the tail gross as see's pooling rights is er before or after confidiction, or to conformation describing the profits of such revision, the quantities from a unit	re or after the comment or not similar pooling a cot exceed 80 acres plus of 10%; provided that a lar permitted by any gove ed by applicable law or cefeel per barrel and "ga al producing conditions or contait component of the contait component of the feature are revised in the unit, but the producing and Leasee some contait of the lease of the contait component of the feature are revised unit and Leasee some contait of producing a proportion of unit producing a proportion of unit producing a proportion of unit producing or upon permanent cets.	nterest therein with any other lands or interests, as to any or all persent of production, whenever Lessee deems it necessary of suthority exists with respect to such other lands or interests. The samaximum acreage loterance of 10%, and for a gas well or arger unit may be formed for an oil well or gas well or horizontal authority having jurisdiction to do so. For the purpose the appropriate governmental authority, or, if no definition is so swell' means a well with an initial gas-oil ratio of 100,000 cubic using standard lease separator facilities or equivalent testing the gross completion interval in facilities or equivalent testing the gross completion interval in the reservoir exceeds the vertical on describing the unit and stating the effective date of pooling or premises shall be treated as if it were production, drilling of edishall be that proportion of the total unit production which the only to the extent such proportion of unit production is sold by shall have the recurring right but not the obligation to revise any strain the reservoire acreage determination made by such governmental authority. In githe effective date of revision. To the extent any portion of the section on which royalfless are payable hereunder shall thereafte station thereof, Lessee may terminate the unit by filling of recordable at cross-conveyance of interests.

* 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or entarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalities to the adventor of the depth of the de hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to

pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities defined necessary by Lessee to discover, produces tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's

obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any treach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16 Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

operations

operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to after the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Calvin Harden By: calvin Hardin	By: O. Alotia Hardin
of Capvin Handin	By. O. MOTIZ Hardin
Terror Terror	ACKNOWLEDGMENT
STATE OF /EXG S COUNTY OF / TOTAL OF / This instrument was acknowledged before me on the by: CG / V/N / HG / J/N	day of
JARWIN N. SCOTT Notary Public, State of Texas My Commission Expires October 31, 2010	Notary Public, State of
STATE OF Texis COUNTY OF Town and This instrument was acknowledged before me, on the by: Oxetig Hordin	day of
JARWIN A. 3COT: Morary Public, State of Texas My Commission Expires October \$1, 2010	Notary's name (printed): Notary's commission expires:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

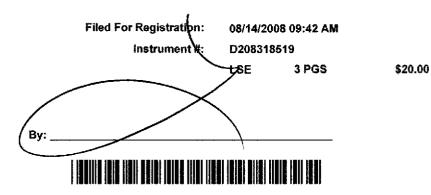
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D208318519

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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